

CUSTODY AGREEMENT

by and between

THE TREASURER OF THE STATE OF SOUTH DAKOTA

and

MELLON BANK, N.A.

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CUSTODY AGREEMENT

THIS CUSTODY AGREEMENT, effective as of the 1st day of June, 2008 ("Agreement") by and between **THE TREASURER OF THE STATE OF SOUTH DAKOTA** (the "Client") and **MELLON BANK, N.A.**, a national banking association (the "Fiscal Agent").

WITNESSETH:

WHEREAS, the Client, with the approval of the State Investment Council, and the Fiscal Agent desire to establish a custody account to provide for the safekeeping and recordkeeping of certain property of the Client;

NOW, THEREFORE, the Client and the Fiscal Agent, each intending to be legally bound, agree as follows:

1. **Establishment of Account.** The Client hereby appoints the Fiscal Agent as custodian for any property acceptable to the Fiscal Agent ("Property") which the Client may deposit to the Fiscal Agent's care in one or more accounts established for the Client pursuant to this Agreement (collectively, "the Account"). The Fiscal Agent shall have no responsibility for any assets of the Client until they are received in the Account by the Fiscal Agent or its agents or subcustodians. "Property" as used herein shall not include any direct interest in real property, leaseholds or mineral interests.

2. **Distributions.** The Fiscal Agent shall make distributions or transfers out of the Account pursuant to Authorized Instructions, as defined below. In making payments to service providers pursuant to Authorized Instructions, the Client acknowledges that the Fiscal Agent is acting as a paying agent, and not as the payor, for tax information reporting and withholding purposes.

3. **Authorized Parties.** The Client shall furnish the Fiscal Agent with a written list of the names, signatures and extent of authority of all persons authorized to direct the Fiscal Agent under the terms of this Agreement. The Client may appoint and remove one or more investment managers ("Investment Manager") for such portion of the Account as the Client shall designate to the Fiscal Agent in writing. The Client shall cause the Investment Manager to furnish the Fiscal Agent with a written list of the names and signatures of the person or persons who are authorized to represent the Investment Manager. The Fiscal Agent shall be entitled to rely upon the authority of any person or entity properly designated by the Client or Investment Manager ("Authorized Party" or "Authorized Parties") to the Fiscal Agent until the Fiscal Agent is notified otherwise in writing.

4. Authorized Instructions.

a. "Authorized Instructions" shall mean (i) all directions to the Fiscal Agent from an Authorized Party pursuant to the terms of this Agreement; (ii) all directions by or on behalf of the Client or Investment Manager to the Fiscal Agent in its corporate capacity (or any of its affiliates) relating to foreign exchange; (iii) all directions by or on behalf of the Client or Investment Manager pursuant to an agreement with the Fiscal Agent (or any of its affiliates) with respect to benefit disbursement services or information or transactional services provided via a web site sponsored by the Fiscal Agent (or any of its affiliates) (e.g., the "Workbench web site"); and (iv) all directions by or on behalf of an Authorized Party pursuant to any other agreement or procedure between the Fiscal Agent (or any of its affiliates) and such Authorized Party, if such agreement or procedure specifically provides that authorized persons thereunder are deemed to be authorized to give instructions under this Agreement. Authorized Instructions shall be in writing, transmitted by first class mail, overnight delivery, private courier, facsimile, or shall be an electronic transmission subject to the Fiscal Agent's policies and procedures, other institutional delivery systems or trade matching utilities as directed by an Authorized Party and supported by the Fiscal Agent, or other methods agreed upon in writing by the Client and the Fiscal Agent. The Fiscal Agent may, in its discretion, accept oral directions from an Authorized Party and may require confirmation in writing. However, where the Fiscal Agent acts on an oral direction prior to receipt of a written confirmation, the Fiscal Agent shall not be liable if a subsequent written confirmation fails to conform to the oral direction.

b. The Fiscal Agent shall be fully protected in acting in accordance with all instructions that the Fiscal Agent reasonably believes to be Authorized Instructions and in failing to act in the absence thereof. The Fiscal Agent shall be under no duty to question any direction of an Authorized Party with respect to the portion of the Account over which such Authorized Party has authority, to review any Property held in the Account, to make any suggestions with respect to the investment, retention and reinvestment of the assets in the Account, or to evaluate or question the performance of any Authorized Party. The Fiscal Agent shall not be responsible or liable for any diminution of value of any securities or other Property held by the Fiscal Agent or its subcustodians pursuant to Authorized Instructions. In following an Authorized Instruction, the Fiscal Agent shall be fully protected and shall not be liable for the acts or omissions of any person or entity not selected or retained by the Fiscal Agent in its sole discretion, including, but not limited to, any broker-dealer or other entity designated by the Client or Investment Manager to hold Property of the Account as collateral or otherwise pursuant to an investment strategy.

5. Authorized Transactions. The term "Authorized Transactions" shall mean any action or series of actions resulting from Authorized Instructions.

6. **Directed Powers of Fiscal Agent.** The Fiscal Agent shall take the following actions in the administration of the Account pursuant to Authorized Instructions:

a. Settle purchases and sales and engage in other transactions, including free receipts and deliveries, exchanges and other voluntary corporate actions, with respect to securities or other Property received by the Fiscal Agent;

b. Submit master ballots in accordance with Authorized Instructions in bankruptcy matters in cases where an Authorized Party is unable to submit or cause the Fiscal Agent to submit an individual ballot with respect to the Account;

c. Lend the assets of the Account if the Client advises the Fiscal Agent that it has entered into a separate securities lending agreement; and

Take actions necessary to settle transactions in futures and/or options contracts, short-selling programs, foreign exchange or foreign exchange contracts, swaps and other derivative investments with third parties.

7. **Administrative Powers of Fiscal Agent.** The Fiscal Agent shall have the authority, without the necessity of receiving Authorized Instructions, to take the following actions in the administration of the Account:

a. Appoint subcustodians, including affiliates of the Fiscal Agent, domestic or foreign, as to part or all of the Account; provided, however, that such appointment shall not relieve the Master Custodian of its responsibilities or liabilities under this Contract;

b. Hold property in nominee name, in bearer form or in book entry form, in a clearinghouse corporation or in a depository, so long as the Fiscal Agent's records clearly indicate that the assets held are a part of the Account;

c. Employ suitable agents and, upon consultation with Client, legal counsel, who may be counsel for the Client and, as a part of its reimbursable expenses under this Agreement, pay their reasonable compensation and expenses. The Fiscal Agent shall be entitled to rely on and may act upon advice of counsel on all matters, and shall be without liability for any action reasonably taken or omitted pursuant to such advice;

d. Take all action necessary to pay for Authorized Transactions, including exercising the power to borrow or raise monies from the Fiscal Agent in its corporate capacity or an affiliate of the Fiscal Agent, and hold any property in the Account as security for advances made to the Account for any such Authorized Transactions, including disbursements or expenses, or the purchase or sale of foreign exchange, or of contracts for foreign exchange. The Fiscal Agent shall be entitled to

collect from the Account sufficient cash for reimbursement. If the Account does not have sufficient cash and the Client has not otherwise repaid any such advances upon written request, the Fiscal Agent shall be entitled to dispose of the assets of the Account to the extent necessary to obtain reimbursement;

e. Make, execute and deliver any and all documents, agreements or other instruments in writing as is necessary or desirable for the accomplishment of any of the powers in this Agreement; and

f. Generally take all ministerial actions, whether or not expressly authorized, which the Fiscal Agent may deem necessary for the fulfillment of its duties hereunder.

The Fiscal Agent may also be directed pursuant to Authorized Instructions to exercise the powers described in this Section.

8. Duties of Fiscal Agent. The Fiscal Agent shall perform or cause its agents or subcustodians to perform the following duties with respect to the Account:

a. Hold the property in safekeeping facilities of the Fiscal Agent or of other custodian banks or clearing corporations, in the United States or elsewhere; provided that the Fiscal Agent shall not be responsible for any losses resulting from the deposit or maintenance of securities or other Property (in accordance with market practice, custom or regulation) with any recognized foreign or domestic clearing facility, book entry system, centralized custodial depository, or similar organization, including international depositories such as Euroclear and Clearstream, unless such losses are the result of the Fiscal Agent's negligence or willful misconduct;

b. Collect income payable to and distributions due to the Account and sign on the Account's behalf all declarations, affidavits, and certificates of ownership required to collect income and principal payments; provided that the Fiscal Agent shall not be responsible for the failure to receive payment of (or late payment of) distributions with respect to securities or other property held in the Account;

c. Subject to the timely receipt of notice from an issuer or Authorized Party, collect all proceeds from securities, certificates of deposit or other investments held in the Account which may mature or be called;

d. Forward to the Authorized Party designated by the Client proxies or ballots received for any stocks, bonds or other securities held in the Account in a form to enable the Authorized Party to effect the voting of proxies, excluding bankruptcy matters to which the Fiscal Agent's duties are set forth in Section (f) below;

e. Submit or cause to be submitted to the Client or the Investment Manager, as designated by the Client, information received by the Fiscal Agent, or

summaries of information, regarding ownership rights pertaining to Property held in the Account, in accordance with the Fiscal Agent's practices, excluding bankruptcy matters to which the Fiscal Agent's duties are set forth in Section (f) below;

f. Forward to the Authorized Party designated by the Client an initial notice of bankruptcy cases relating to securities held in the Account and a notice of any required action related to such bankruptcy cases as may be actually received by the Fiscal Agent. No further action or notification related to the bankruptcy case shall be required absent the specific agreement of the parties hereto, provided, however, the Fiscal Agent will submit a master ballot as required pursuant to Section 6(b) hereof, with respect to matters related to the bankruptcy of securities held in the Fund. In addition, the Fiscal Agent upon request of the Client or other Authorized Party, will file a proof of claim in any bankruptcy case when notified of the need to do so by the applicable bankruptcy court or by the Client;

g. Attend to corporate actions with respect to which no discretionary decision is required;

h. With respect to tender or exchange offers, the Fiscal Agent shall transmit promptly to the Investment Manager written information or summaries of information received by the Fiscal Agent from its agents or its subcustodians or from issuers of the securities whose tender or exchange is sought and from the party (or his agents) making the tender or exchange offer. The Fiscal Agent shall not be liable for any untimely exercise of any tender, exchange or other right or power in connection with securities or other property unless the Fiscal Agent or its agents or subcustodians are in actual possession of the securities or property, and the Fiscal Agent receives Authorized Instructions with regard to the exercise of any such right or power in a timely manner as indicated by the Fiscal Agent for each such right or power to be exercised;

i. With respect to class action filings, the Fiscal Agent shall take all actions necessary to file the required proof of claim on behalf of Client for securities it, or its agents and subcustodians, hold in custody unless instructed to the contrary by the Client in writing prior to filing date. The Fiscal Agent will make available to the Client on at least a quarterly basis, a report of such current class actions listing securities, including relevant filing dates and dates and amounts of any settlements received. The Fiscal Agent will also make available transaction history when requested to the extent the Fiscal Agent has the information in its files. The Fiscal Agent shall also submit a proof of claim on behalf of the Client for class action participation based on the Client's holding period of securities prior to the date of this contract, provided that the Fiscal Agent has been supplied with (i) documents of record ownership sufficient for Fiscal Agent to file and (ii) timely notice of entitlement. The Client acknowledges that the Fiscal Agent will not be liable for the integrity of the data received from the prior custodian, or any other sources. Subject to the foregoing, the Fiscal Agent shall accept and maintain seven years of holdings and transactions data from the prior custodian for

the purposes of filing proof of claims on behalf of the Client for periods prior to the date of this contract. The Fiscal Agent shall have no liability for filing proofs of claim that would require use of data not delivered by Client or the prior custodian or that is beyond the time period noted;

j. Report the value of the Account as of such dates as the Client and the Fiscal Agent may agree upon, in accordance with methods consistently followed and uniformly applied. In reporting the value of the Account, the Fiscal Agent, in accordance with the Fiscal Agent's then current practices, shall obtain and rely upon prices and quotes from third party pricing sources or, if such prices or quotes are unavailable from sources utilized by the Fiscal Agent in accordance with its then current practices, from the Client, an Investment Manager or other Authorized Party, and shall be without liability or responsibility for any loss occasioned by such reliance. Notwithstanding the foregoing, in accordance with the Fiscal Agent's then current pricing practices, an Investment Manager or other Authorized Party may direct the Fiscal Agent as to a price or quote to be used, with the prior approval of the Client, and the Fiscal Agent shall be fully protected when relying upon such direction and when utilizing any such price or quote; and

k. Render statements, for such periods as agreed by the parties with respect to the Account for Property held therein, to an Authorized Party or its designee.

9. Income and Settlement; Market Practice Settlements.

a. In accordance with the Fiscal Agent's standard operating procedure, the Fiscal Agent shall credit the Account with income and maturity proceeds on securities on contractual payment date, net of any taxes or upon actual receipt. To the extent the Fiscal Agent credits income on contractual payment date, the Fiscal Agent may reverse such accounting entries to the contractual payment date if the Fiscal Agent reasonably believes that such amount will not be received.

b. In accordance with the Fiscal Agent's standard operating procedure, the Fiscal Agent will attend to the settlement of securities transactions on the basis of either contractual settlement date accounting or actual settlement date accounting. To the extent the Fiscal Agent settles certain securities transactions on the basis of contractual settlement date accounting, the Fiscal Agent may reverse to the contractual settlement date any entry relating to such contractual settlement if the Fiscal Agent reasonably believes that such amount will not be received.

c. Settlements of transactions may be effected in trading and processing practices customary in the jurisdiction or market where the transaction occurs. The Client acknowledges that this may, in certain circumstances, require the delivery of cash or securities (or other property) without the concurrent receipt of securities (or other property) or cash. In such circumstances, the Fiscal Agent shall have no responsibility for nonreceipt of payment (or late payment) or nondelivery of securities or other property (or

late delivery) by the counterparty, unless such nonreceipt of payment, late payment or nondelivery is the result of the Fiscal Agent's negligence or willful misconduct.

10. Tax Obligations. For purposes of this Agreement, "Tax Obligations" shall mean taxes, withholding, certification and reporting requirements, claims for exemptions or refund, interest, penalties, additions to tax and other related expenses. To the extent that the Fiscal Agent has received relevant and necessary information with respect to the Account, the Fiscal Agent shall perform the following services with respect to Tax Obligations:

a. The Fiscal Agent shall file claims for exemptions or refunds with respect to withheld foreign (non-U.S.) taxes in instances in which such claims are appropriate upon receipt of sufficient information;

b. The Fiscal Agent shall withhold appropriate amounts, as required by U.S. tax laws, with respect to amounts received on behalf of nonresident aliens upon receipt of Authorized Instructions; and

c. The Fiscal Agent shall provide to the Client or the Authorized Party such information received by the Fiscal Agent, which could, in the Fiscal Agent's reasonable belief, assist the Client or the Authorized Party in the submission of any reports or returns with respect to Tax Obligations. The Client shall inform the Fiscal Agent in writing as to which party or parties shall receive information from the Fiscal Agent.

The Fiscal Agent shall provide such other services with respect to Tax Obligations, including preparation and filing of tax returns and reports and payment of amounts due (to the extent funded), as requested by the Client and agreed to by the Fiscal Agent in writing. The Fiscal Agent shall have no independent obligation to determine the existence of any information with respect to, or the extent of, any Tax Obligations now or hereafter imposed on the Client or the Account by any taxing authority. Except as specifically provided herein or agreed to in writing by the Fiscal Agent, the Fiscal Agent shall have no obligations or liability with respect to Tax Obligations, including, without limitation, any obligation to file or submit returns or reports with any state, foreign or other taxing authorities.

11. Non-Account Assets. The Client may request the Fiscal Agent to perform a recordkeeping function with respect to property held by others and not otherwise subject to the terms of this Agreement. To the extent the Fiscal Agent shall agree to perform this service, its sole responsibility shall be to accurately reflect information on its books which it has received from an Authorized Party.

12. Statements and Records. If, upon completion of the annual audit of the Account, the Client has not given the Fiscal Agent written notice of any exception or objection thereto, the statement shall be deemed to have been approved, and in such case,

the Fiscal Agent shall not be liable for any matters in such statements. In recognition of the length of time that may pass between the delivery of a statement with respect to the Account and the completion of the annual audit, the Client agrees to promptly review all statements sent to it, in order to identify any concerns or issues that may be apparent on the statement and to raise any such issues with the Fiscal Agent promptly. The Client and its agents and auditors shall have the right, at the Client's own expense and with prior written notice to the Fiscal Agent, to inspect the Fiscal Agent's books and records directly relating to the Account during normal business hours or to designate an accountant to make such inspection. The Client in its sole discretion shall have the right to audit or caused to be audited the Fiscal Agent's records necessary to permit the evaluation and verification of the Fiscal Agent's performance and compliance with the terms of this Agreement, the right of which shall extend throughout the term of this Agreement and for a period of three (3) years beyond its termination.

13. **Standard of Care.** In performing its duties under this Agreement, the Fiscal Agent shall exercise the same care and diligence that a professional custodian engaged in the banking or trust company industry and having professional expertise in financial and securities processing transactions and custody would observe in these affairs.

14. **Limitation of Liability.** Without limiting any other provisions contained in this Agreement:

a. The duties of the Fiscal Agent shall only be those specifically undertaken pursuant to this Agreement;

b. The Fiscal Agent shall not be responsible for the title, validity or genuineness of any Property or evidence of title thereto received by it or delivered by it pursuant to this Agreement;

c. The Fiscal Agent shall not be responsible or liable for any losses or damages suffered by the Account arising as a result of the insolvency of any subcustodian, except to the extent the Fiscal Agent was negligent in its selection or continued retention of such subcustodian;

d. The Fiscal Agent shall not be liable for any act or omission of any other person except for Fiscal Agent's agents selected and retained in its sole discretion; and

e. Under no circumstances shall the Fiscal Agent be liable for any indirect, consequential or special damages with respect to its role as the Fiscal Agent.

15. **Force Majeure.** Notwithstanding anything in this Agreement to the contrary, the Fiscal Agent shall not be responsible or liable for its failure to perform under this Agreement or for any losses to the Account resulting from any event beyond the

reasonable control of the Fiscal Agent, its agents or subcustodians. This provision shall survive the termination of this Agreement.

16. **Compensation and Expenses.** The Fiscal Agent shall be entitled to compensation for services under this Agreement asset forth on the Fee Schedule attached hereto as Exhibit B. The Client acknowledges that, as part of the Fiscal Agent's compensation, the Fiscal Agent will earn interest on uninvested balances, including disbursement balances and balances arising from purchase and sale transactions as disclosed in the Fiscal Agent's float policy. The Fiscal Agent shall also be entitled to reimbursement for reasonable expenses incurred by it in the discharge of its duties under this Agreement (the "Expenses"). To the extent the Fiscal Agent advances funds to the Account for disbursements pursuant to Authorized Instructions or to settle or pay for Authorized Transactions, the Fiscal Agent shall be entitled to collect reasonable charges established under the Fiscal Agent's standard overdraft terms, conditions and procedures.

17. **Amendment or Termination.** This Agreement may be amended by written agreement of the Client and the Fiscal Agent. This Agreement shall be in effect for one year from the effective date hereof and shall automatically renew for successive one year periods thereafter unless terminated by either party upon one hundred fifty (150) days' notice in writing to the other party; unless a shorter time is agreed to. The Client, for cause or protection of the Property, may terminate this Agreement without prior notice. The provisions of Sections 12, 14, 16, 19, 20, 23, 24, 25, 26, and 28 of this Contract shall survive termination of this Contract for any reason. Following termination of this Contract, the Client shall continue to have access to Fiscal Agent's records of services provided for five (5) years from the date of provision of the services to which the records refer.

18. **Funds Appropriation.** This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the South Dakota Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the Client. Termination for any of these reasons is not a default by the Client nor does it give rise to a claim against the Client.

19. **Action on Termination.** If a successor fiscal agent or custodian shall be appointed by the Client, the Fiscal Agent shall, within a reasonable time after termination, deliver to such successor securities, funds and other property then held by it hereunder duly endorsed and shall transfer to any account of the successor all of the Client's records, securities and other property held in an Account by the Fiscal Agent and its agents and subcustodians. The Fiscal Agent shall reasonably cooperate in procedures to be developed to ensure an orderly transfer of assets and records.

20. **Successors and Assigns.** Neither the Client nor the Fiscal Agent may assign this Agreement without the prior written consent of the other, except that the Fiscal Agent may assign this Agreement to any entity which directly or indirectly is controlled by, or is under common control with, the Fiscal Agent. Any entity, which shall by merger, consolidation, purchase, or otherwise, succeed to substantially all the custody business of the Fiscal Agent shall, upon such succession and without any appointment or other action by the Client, be and become successor custodian hereunder, upon notification to the Client. This Agreement shall be binding upon, and inure to the benefit of, the Client and the Fiscal Agent and their respective successors and permitted assigns.

21. **Governing Law and Legal Proceedings.** This Agreement shall be construed in accordance with and governed by the substantive laws of the State of South Dakota without regard to its conflicts of law provisions. The parties hereby expressly agree to exclusive jurisdiction and venue in the state courts of the State of South Dakota.

22. **Representations.** Each party represents and warrants to the other that it has full authority to enter into this Agreement upon the terms and conditions hereof and that the individual executing this Agreement on its behalf has the requisite authority to bind the Client or the Fiscal Agent to this Agreement. The Client has received and read the "Customer Identification Program Notice", a copy of which is attached to this Agreement as Exhibit A.

23. **Necessary Parties; Notice.** All of the understandings, agreements, representations and warranties contained herein are solely for the benefit of the Client, the South Dakota Investment Council/Office and the South Dakota Retirement System, and the Fiscal Agent and there are no other parties who are intended to be benefited, in any way whatsoever, by this Agreement.

a. Notices and other writings shall be delivered or mailed postage prepaid to:

- i) To the Client: Mathew L Clark, State Investment Officer, South Dakota Investment Council, 4009 W. 49th Street, Suite 300, Sioux Falls, SD 57106
- ii) To the Fiscal Agent: Catherine Wargo, The Bank of New York Mellon, 026-0313, 135 Santilli Highway, Everett, MA 02149

or to such other address as the Client or the Fiscal Agent may hereafter specify in writing.

- b) Telephone and facsimile notices (provided that it is not acceptable to provide telephone notices that relate to a notice of default or termination) shall be sufficient if communicated to the party entitled to receive such notice at the following numbers

a. If to Client: Telephone (605) 362-2820 Facsimile (605) 362-

- b. If to Fiscal Agent: Telephone (617) 382-1248 Facsimile (617) 382-2004 or such other numbers as either party may furnish the other party by written notice under this Section.

24. **Insurance.** The Fiscal Agent maintains a policy of insurance, including bankers blanket bond coverage of this Contract and shall provide the Client with evidence of insurance coverage upon request of Client.

25. **Fiscal Agent Non-Fiduciary Status.** The Client hereby acknowledges and agrees that the Fiscal Agent is not a fiduciary by virtue of accepting and carrying out its custodian duties under this Agreement, and has not accepted any fiduciary duties, responsibilities or liabilities with respect to custodial services. Notwithstanding the non-fiduciary status, the Fiscal Agent agrees that it will discharge its duties and exercise its powers under this Agreement under the standard of care set forth in Section 13.

26. **Entire Agreement.** This Agreement and any related fee agreement constitute the entire agreement with respect to the matters dealt with herein, and supersede all previous agreements, whether oral or written, and documents with respect to such matters.

27. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and said counterparts when taken together shall constitute but one and the same instrument and may be sufficiently evidenced by one set of counterparts.

28. **Public Records Law.** The Fiscal Agent expressly understands that it is subject to the terms of the Public Records Law of the State of South Dakota with respect to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

Authorized Signer of:
THE TREASURER OF THE STATE OF
SOUTH DAKOTA

By: Vernon L. Larson
Name: VERNON L. LARSON
Title: Treasurer
Date: 5/14/08

Authorized Officer of:
MELLON BANK, N.A.

By: Catherine Wargo
Name: Catherine Wargo
Title: Vice President
Date: 5/27/08

5/8/08CustomerSouth Dakota Investment Council.custody.Mellon (Final Form)

EXHIBIT A

CUSTOMER IDENTIFICATION PROGRAM NOTICE

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, all financial institutions are required by law to obtain, verify and record information that identifies each individual or entity that opens an account.

What this means for you: When you open an account, we will ask you for your name, address, taxpayer or other government identification number and other information, such as date of birth for individuals, that will allow us to identify you. We may also ask to see identification documents such as a driver's license, passport or documents showing existence of the entity.

Rev.

09/03

Amendment to Custody Agreement
dated June 1, 2008
between
The Bank of New York Mellon and
The Treasurer of The State of South Dakota

Effective June 1, 2011 through June 1, 2014

The Custody Agreement dated June 1, 2008 between the The Bank of New York Mellon and The Treasurer of the State of South Dakota is amended to include and incorporate the Fee Schedule and related terms set forth below. The Fee Schedule replaces and supersedes Exhibit B attached to the Custody Agreement.

I. Annual Flat Fee Schedule:

Domestic Custody Flat Fee	\$125,000
Global Custody Flat Fee	\$125,000

II. Securities Lending

70% of the Securities Lending income will be remitted to South Dakota and BNYMellon will retain the remaining 30%.

III. Comments

- BNYMellon will pass through to the client any out-of-pocket expenses including, but not limited to, postage, courier expense, registration fees, stamp duties, telex charges as such related to sub-custodian costs at an amount equal to or less than \$500 per calendar year.
- BNY Mellon will not be responsible for any extraordinary charges incurred for establishing accounts in a new global market.
- Additional charges will be quoted as needed for custom reporting or programming, internal/external, legal or consulting costs.

- We reserve the right to amend our fees with approval of Client, if the service requirements change in a way that materially affects our responsibilities or costs. Support of other derivative investment strategies or special processing requirements (e.g. external cash sweep, alternative investment support, OTC Derivative Pricing support etc. could result in additional fees.
- A payment of 1/12th of flat annual fee shall be paid monthly utilizing an electronic invoice. Additional amounts due shall be payable within 30 days. Fees not paid within 60 days of the invoice date will be subject to a late charge of 1.5% per month.
- Fees for Performance and Risk Analytic services would be incremental other than the current annual fee for Charts being billed separately from the Trust & Custody fee.
- This fee assumes BNY Mellon is the sole securities lending agent and may lend the entire pool of assets made available by the State Investment Officer.
- Mellon guarantees the fee schedule for three years and will be renegotiated thereafter based upon changes in managed assets and/or services provided.

IV. Market Tiers

Developed

Category 1 Canada, Euroclear, France, Germany, Italy, Japan, Netherlands, New Zealand, Spain, Sweden, Switzerland, United Kingdom

Category 2 Australia, Belgium, CEDEL, Finland, Ireland, Luxembourg, Mexico, Norway, South Africa

Category 3 Argentina, Austria, Brazil, Denmark, Hong Kong, Malaysia, Portugal, Singapore, South Korea, Sri Lanka, Thailand, Turkey

Intermediate

Category 4 Czech Republic, Greece, Hungary, Indonesia, Israel, Peru, Taiwan, Zimbabwe

Category 5 Bangladesh, Bermuda, Botswana, Ghana, Mauritius, Pakistan, Philippines, Poland, Slovak Republic, Uruguay

Emerging

Category 6 Bahrain, Bolivia, Bulgaria, Chile, China, Columbia, Croatia, Egypt, Estonia, Iceland, India, Jordan, Kazakhstan, Latvia, Lebanon, Lithuania, Morocco, Oman, Panama, Romania, Russia, Slovenia, Tunisia, Ukraine, Venezuela, Vietnam, Zambia

This signature of an authorized individual in the space provided below shall indicate acceptance of this fee agreement.

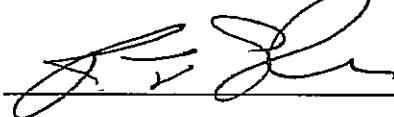
FOR: THE TREASURER OF THE STATE OF SOUTH DAKOTA

BY: 

TITLE: State Treasurer

DATE: 4-11-11

FOR: THE BANK OF NEW YORK MELLON

BY: 

TITLE: Managing Director

DATE: 4/25/11